

[Your Name]
[Your Address]
[Your City, State, Zip Code]
[Your Phone Number]
[Your Account Number]

[Date]

[Creditor Name]
[Creditor Address]
[Creditor City, State, Zip Code]

Subject: Financial Hardship Reduced Payment Request and Settlement Offer

To Whom It May Concern,

I am writing to formally notify you that I am currently experiencing severe financial hardship due to [mention reason, e.g., job loss, medical emergency, or reduced income]. As a result, I am unable to maintain my current monthly payment schedule.

I am committed to fulfilling my obligations, but I require a temporary or permanent adjustment to my payment terms to avoid default. I am requesting that you consider the following proposal:

- **Reduced Monthly Payment:** I am requesting to pay \$[Amount] per month starting on [Date].
- **Interest Rate Reduction:** I request a temporary reduction of my interest rate to 0% or a lower rate to ensure my payments apply to the principal balance.
- **Lump Sum Settlement Option:** Alternatively, I can offer a one-time lump sum payment of \$[Amount] to settle the entire debt in full.

I have attached documentation of my current financial situation for your review. Please let me know if these terms are acceptable or if there is a hardship program available that fits my current circumstances.

I look forward to receiving your response in writing.

Sincerely,

[Your Signature]

[Your Printed Name]